



0000092879

BEFORE THE ARIZONA CORPORATI

IN THE MATTER OF:

DOCKET NO.

S-20654A-09-0068

STEVE JOHN ROGAN, a married man,

CAROL ANN RICHEY, a married woman,

DEM BONZ BARBEQUE RESTAURANTS,
L.L.C., an Arizona limited liability company,

PIZAZZ, L.L.C., an Arizona limited liability company,

Respondents.

PREHEARING
CONFERENCE

At: Phoenix, Arizona

Date: March 23, 2009

Filed: APR 07 2009

REPORTER'S TRANSCRIPT OF PROCEEDINGS

Arizona Corporation Commission

DOCKETED

APR -7 2009

DOCKETED BY

ARIZONA REPORTING SERVICE, INC.

Court Reporting

Suite 502

2200 North Central Avenue

Phoenix, Arizona 85004-1481

By: MICHELE E. BALMER

Certified Reporter

Certificate No. 50489

Prepared for:

ACC

ORIGINAL

**FOR
INTERNAL
&
INTERAGENCY
USE
ONLY**

Pursuant to the contract with Arizona
Reporting Service all transcripts are
available electronically for internal
agency use only.

Do not copy, forward or transmit outside
the Arizona Corporation Commission.

1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on regularly to be heard before the
3 Arizona Corporation Commission, 1200 West Washington
4 Street, Phoenix, Arizona, commencing at 11:00 a.m. on the
5 23rd day of March, 2009.

6

7 BEFORE: MARC E. STERN, Administrative Law Judge

8

9 APPEARANCES:

10 For the Arizona Corporation Commission Securities
11 Division:

12

 Mr. William Black, Attorney
13 1300 West Washington Street
 Phoenix, Arizona 85007

14

14 For Steve John Rogan and Carol Ann Richey:

15

 MR. STEVE JOHN ROGAN - In Propria Persona
 MS. CAROL ANN RICHEY - In Propria Persona
16 8912 East Pinnacle Peak Road, No. 174
 Scottsdale, Arizona 85255

17

18

19

20

 MICHELE E. BALMER
 Certified Reporter
 Certificate No. 50489

21

22

23

24

25

1 ALJ STERN: This matter is now open in the matter
2 of Steve John Rogan, et al., in Docket S-20654A-09-0068.

3 My name is Marc Stern, and I'll preside over the
4 proceeding today. And let's see who is here for the
5 Securities Division today.

6 MR. BLACK: Judge Stern, William Black here for
7 the Securities Division.

8 ALJ STERN: And do we have a Steve Rogan here?

9 MR. ROGAN: Steve Rogan here.

10 ALJ STERN: Carol Richey?

11 MS. RICHEY: Right here.

12 ALJ STERN: And you're representing yourselves?

13 MR. ROGAN: We certainly are.

14 ALJ STERN: All right. Dem Bonz is not here and
15 Pizazz isn't here. You can't really represent the LLCs,
16 per se. That's practicing law. You certainly can
17 represent yourselves, which, in effect, would probably
18 resolve those situations also.

19 This is a temporary order case. Mr. Black, have
20 you had a chance to talk to Mr. Rogan and Ms. Richey at
21 all about the proceeding?

22 MR. BLACK: Judge, I have not had an opportunity
23 to do that yet. We did serve a subpoena with the
24 temporary order to cease and desist. We have received
25 some documents, including a letter from Mr. Rogan, that

1 sets forth at least his initial position in some respect.
2 We have some follow-up investigation to do, and we're in
3 the process of doing that.

4 ALJ STERN: All right. Is this a Craig's List
5 offering? Is this one of those?

6 MR. BLACK: Yes, Judge.

7 ALJ STERN: Okay. Why don't we take a little bit
8 of a recess, and maybe you all can discuss this issue a
9 little bit. I'll give you a little bit of time. If I
10 don't show up before you have had your discussions,
11 perhaps you can send your investigator over to get me.
12 I'll check back in about 10, 15 minutes. If you want me
13 sooner than that or you don't want me, send somebody over.

14 MR. BLACK: Judge, it may be more efficient and
15 maybe easier for you, what I would like to do is suggest a
16 status conference in 30 days. I've indicated to Mr. Rogan
17 that I would like to talk to him. He's indicated a
18 willingness to do so. We can certainly do that after we
19 conclude this proceeding.

20 ALJ STERN: Okay. Well, if that's what you would
21 like to do, then I can go off the record now, if you want
22 to continue your discussions elsewhere, for that matter.
23 Is that agreeable to all parties?

24 MR. ROGAN: Actually, I would like to have a
25 determination today and have this over with.

1 ALJ STERN: Unfortunately, I can't do that today.
2 You're asking for a hearing, and a hearing would be down
3 the line. You might be able to sit down and talk to
4 Mr. Black who represents the Commission's Securities
5 Division about the fact that maybe you might have
6 committed an unintentional violation of the Arizona
7 Securities Act.

8 MR. ROGAN: If that is a fact, then I would be
9 okay with that.

10 ALJ STERN: Whatever, yeah. I think you could --
11 you could do it today, however your schedules are. I
12 don't know. Do you want to take 15 minutes now,
13 Mr. Black, and talk to them?

14 MR. BLACK: Sure. We can do that.

15 ALJ STERN: And then we'll come back and see
16 where we're going. Okay. We'll go off the record now and
17 you can have some discussion, and I'll come back in about
18 10, 15 minutes.

19 (A recess was taken from 11:06 a.m. to 11:29 a.m.)

20 ALJ STERN: Back on the record.

21 Where are we at? Do you want a status conference
22 in about 30 days?

23 MR. BLACK: Judge, based on my conversation with
24 Mr. Rogan and Ms. Richey, I think it would be more prudent
25 to set a hearing, although I think it was useful time. I

1 think Mr. Rogan understands the Division's case a little
2 bit better, and I certainly understand his position
3 better. I don't think that -- I think Mr. Rogan agrees, I
4 don't think it's likely we're going to reach a resolution
5 short of a hearing. I think we're talking about a hearing
6 of no longer than a day, if that.

7 ALJ STERN: Okay. How does the week of June 15
8 look to you? I know that's a period of time there's some
9 open hearing space.

10 MR. BLACK: That whole week looks good.

11 ALJ STERN: Okay. Mr. Rogan, how are you at that
12 time of the year?

13 MR. ROGAN: I'm not good until about mid-July,
14 Judge.

15 ALJ STERN: Okay. I didn't look at far as July.
16 I don't know whether we'll have rooms available then.

17 How are you, Mr. Black, in July.

18 MR. BLACK: All but the week of the 27th is fine.
19 The week of the 20th is fine.

20 ALJ STERN: Okay. Let me see something. So the
21 week of the 27th. If we go, we're going to go early in
22 July at that point.

23 MR. BLACK: The week of the 13th is also good.

24 ALJ STERN: Good. I'm going to have to check
25 that one.

1 MR. BLACK: So is the 6th, although there's an
2 Open Meeting on the 9th.

3 ALJ STERN: Okay. That's a Securities Open
4 Meeting, right?

5 MR. BLACK: Yes.

6 ALJ STERN: Okay. Let me take a look at what we
7 have. We'll go off the record.

8 (A recess was taken from 11:31 a.m. to 11:36 a.m.)

9 ALJ STERN: Okay. Going back on the record.
10 We've had an off-the-record discussion. What I'm
11 going to do is I'll put out a procedural order scheduling
12 this matter for hearing on July 14, and I'll also set
13 aside the 15th in the event everybody just wants to talk a
14 lot. And I'll put out -- in the procedural order, I'll
15 advise you of a date to exchange witness lists and copies
16 of exhibits about a month before.

17 Any questions?

18 MR. ROGAN: None at all.

19 ALJ STERN: Okay. With that, this prehearing
20 conference is concluded. And in the meantime, the only
21 thing that I can suggest to the parties is maybe discuss a
22 resolution of the matter. If I get something from the
23 Division with regard to that, maybe we can get rid of this
24 without a hearing and save everybody time and trouble.

25 MR. ROGAN: That would be advisable.

1 ALJ STERN: Thank you. That concludes today's
2 hearing.

3 (The Prehearing Conference concluded at
4 11:40 a.m.)

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 STATE OF ARIZONA)
2) ss.
3 COUNTY OF MARICOPA)

4

5 I, MICHELE E. BALMER, Certified Reporter
6 No. 50489 for the State of Arizona, do hereby certify that
7 the foregoing printed pages constitute a full, true and
8 accurate transcript of the proceedings had in the
9 foregoing matter, all done to the best of my skill and
10 ability.

11

12 WITNESS my hand this 5th day of April, 2009.

13

14

15

16

17

18

19

20


21

22

23

24

25


MICHELE E. BALMER
Certified Reporter
Certificate No. 50489

26